

NEW LEVELS OF
PRODUCTIVITY



DEEPER LEVELS
OF INSPIRATION



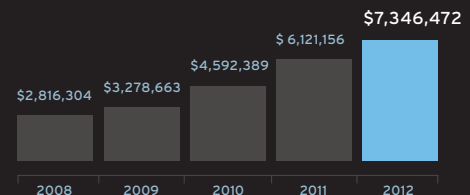
AROUND THE WORLD, BUSINESSES OF ALL TYPES ARE REIMAGINING HOW THEY OPERATE AND INNOVATE.

Companies are striving to improve their efficiency and productivity to withstand the pressures of an uncertain global economy, new forms of competition and additional regulation. At the same time, they must adapt to and embrace new technology architectures, virtual business models and changing demographics that will open up new horizons of opportunity. Their dual mandate is not only to drive incremental improvements in performance, but to launch the next phase of innovation-driven growth.

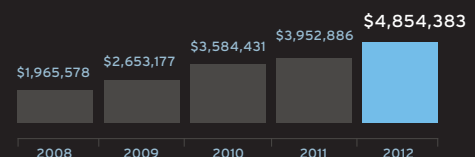
Cognizant is helping clients meet both challenges. We enable them to achieve *new levels of productivity* by making their existing operations as effective as possible – and to reach *deeper levels of inspiration* that will result in market leadership, profitable growth, customer delight, employee engagement and business value.

Businesses are increasingly turning to us because we are uniquely positioned to deliver on both goals – on a single platform. We combine an entrepreneurial spirit, exceptional talent and a consultative client-first approach, with an expansive global delivery network and deep domain expertise. Partnering with Cognizant will help ensure that our clients stay relevant today, while unlocking remarkable achievements tomorrow.

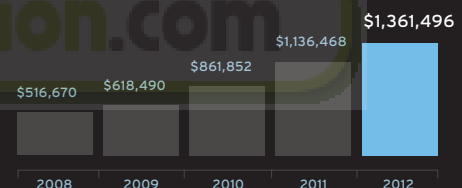
REVENUES (IN THOUSANDS)



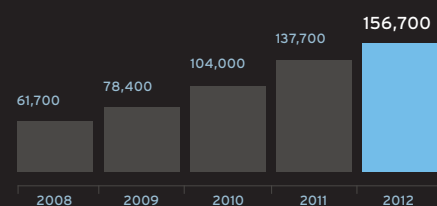
STOCKHOLDERS' EQUITY (IN THOUSANDS)



OPERATING INCOME (IN THOUSANDS)



EMPLOYEES



TO OUR STOCKHOLDERS

2

Cognizant delivered industry-leading growth in 2012 by helping businesses meet the dual challenge of achieving new levels of productivity today, and deeper levels of inspiration tomorrow.

OUR PEOPLE AND CULTURE

12

Cognizant's people are inspired by a culture that combines an entrepreneurial, innovative spirit with a passion for solving client problems and growing exceptional businesses.

CASE STUDIES

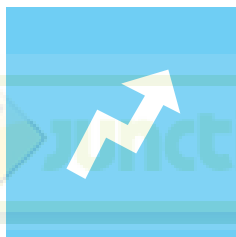
14

A consulting-led approach, broad portfolio of solutions, deep sector expertise, global delivery network and a talented team make Cognizant a valued partner for a diverse range of leading global enterprises.

UNLOCKING THE POTENTIAL OF THE SMAC STACK™

10

Clients increasingly are seeking Cognizant's help in adapting social, mobile, analytics and cloud (SMAC) technologies to their businesses. Yet, true transformation can only be achieved by integrating all of these powerful forces into a unified "SMAC Stack" as part of an overall enterprise IT architecture.



For more investor information,
please scan the QR code or visit us:
investors.cognizant.com

TO OUR STOCKHOLDERS

I am pleased to report that Cognizant again delivered industry-leading growth and a higher stockholder value in 2012 by doing what we do best. We helped an increasing number of top businesses around the world find solutions to their most critical challenges. We continued to invest in new resources to meet our clients' emerging needs. And we expanded our team of talented, entrepreneurial and innovative associates.

Our strong performance is largely due to the fact that we help global enterprises address a dual mandate: to make their current operations as efficient and cost-effective as possible, and to invest in innovation to unleash new potential across their organizations and drive future growth. Simply stated, businesses need to achieve new levels of productivity today, and deeper levels of inspiration tomorrow.

What makes Cognizant unique is the ability to help clients face both challenges. We help them "run better" by enabling their vital business functions to work faster, cheaper and more productively. And we help them "run differently" through our ability to conceptualize, architect and implement new and expanded capabilities to take their businesses to the next level. In today's business climate, this value proposition is more relevant than ever.

We can meet both demands – on a single platform – because of our extensive service offerings. Our broad portfolio includes Cognizant Business Consulting, application development and maintenance, testing, enterprise information management, enterprise application services, IT infrastructure and business process outsourcing services. We also have a highly integrative approach to helping clients reconfigure their IT stack to encompass social, mobile, analytics and cloud (SMAC) technologies. What's more, our client solutions are delivered by talented associates who embody our culture: with an entrepreneurial spirit, a passion for achieving transformational results and deep domain expertise.

Simply stated,
businesses need to
achieve new levels
of productivity
today, and deeper
levels of inspiration
tomorrow.

INDUSTRY-LEADING GROWTH

By helping clients respond to the demands of the dual mandate, we delivered strong top- and bottom-line results, expanded our client relationships and continued to invest in the world-class talent, global delivery network and diverse services portfolio that will position the company for sustainable growth.

Revenues for 2012 grew to \$7.35 billion, up 20% from 2011. GAAP net income rose to \$1.05 billion, or \$3.44 per diluted share, up from \$883.6 million, or \$2.85 per diluted share, for 2011. Diluted earnings per share on a non-GAAP basis, excluding stock-based compensation costs, rose to \$3.70 from \$3.07 a year earlier. Non-GAAP operating margin was 20%, at the top of our targeted range of 19-20%.¹ With cash and short-term investments of around \$2.9 billion, we ended the year with a solid balance sheet upon which to build our business going forward.

We continued to deepen and expand our client relationships. We served more than 800 active clients as of the end of 2012. Our strategic accounts, which we define as clients that have the potential to spend \$5 million to \$50 million or more with us annually, rose to 214. Clients are increasingly turning to Cognizant for help with large, complex and transformational multi-service and multi-country engagements, as shown by the fact that we now have 16 clients that generate more than \$100 million each in annual revenues. The customer satisfaction scores on our most recent independent survey remained strong and continue to demonstrate our commitment to a high level of service and a true partnership approach to meeting clients' needs.

¹ For a discussion of non-GAAP financial measures, see Exhibit 99.1 attached to our Current Report on Form 8-K, filed on February 7, 2013, and Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operations) of our Annual Report on Form 10-K, filed on February 26, 2013.

\$7.35 BILLION
2012 Revenues

20% INCREASE
Revenues compared with
last year

800+
Active Clients

OPPORTUNITY ON THE HORIZON

Cognizant's approach to helping clients operate more efficiently, and also to reimagine their business models around emerging technology architectures, is embodied in our Three Horizon model. Horizon 1 offerings consist of core services, such as application development and maintenance, testing and system integration, which address the need to make existing operations more effective and productive. Horizon 2 and Horizon 3 includes newer services and emerging capabilities that help clients reinvent their businesses to succeed in a climate marked by dramatic changes in customer demands, markets, competition and regulation.

Within Horizon 2, our Business Process Outsourcing practice is expanding as clients rely on our domain expertise, new technologies and innovative commercial models to build processes that can support evolving business objectives. Our Consulting business, which is highly domain-focused, is providing clients with a roadmap for transformation. And our IT Infrastructure Services practice is helping clients modernize their IT capabilities, sharpen their focus on core operations and reallocate overhead costs to growth investments. Our Horizon 3 services are delivering game-changing solutions that harness the power of new technologies, including social, mobile, big data and analytics and cloud. We are providing SMAC-related services to over 60 of our top 100 clients – with strong growth expected going forward. We also offer platform-based solutions, delivered via a service model that integrates people, processes and IT platforms to help clients create new ways to manage volatility and gain competitive advantage.

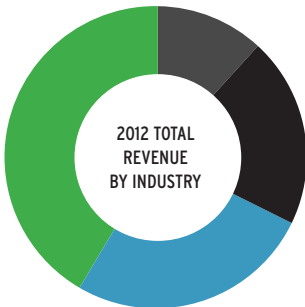
EXPANDING INDUSTRY SECTORS AND REGIONS

Looking at our performance across industry sectors, financial services revenues were up 20.5% from the prior year, driven by the secular shifts, economic pressures and competitive marketplace changes facing industries such as banking and insurance. For instance, Rabobank has expanded its relationship with Cognizant, whereby we are providing a range of application services to address changing technology and business needs. We also are working with The Hartford, an insurance industry leader, to enhance its property and casualty claims management processes.

Healthcare sector revenues rose more than 19%, due to our ability to help payers, providers and pharmacy benefit managers improve the cost and effectiveness of care. For example, at Hunterdon Healthcare System, a nonprofit health care organization in New Jersey, we are helping to launch a comprehensive hospital performance management solution.

Revenues from retail/manufacturing/logistics clients grew by over 25%. Demand in the retail industry is being driven by the need for greater cost-efficiency to combat narrow profit margins, the desire to optimize global supply chains and the evolution of omni-channel (in-store and online) models, as well as the impact of social and mobile technologies. Other industries, including communications, information/media/entertainment and high technology, grew 12% over the prior year.

While many of the world's economies remain under pressure, Cognizant's recognized ability to help businesses run better and run differently has led to growth across all of our regions. North America enjoyed revenue growth of 21.5% versus the prior year, and remains the largest component of our business. Despite continued economic challenges in Europe, our revenue in the UK and the rest of Europe grew by nearly 10% and 8%, respectively. Other markets, including Asia-Pacific, Japan, Australia, Middle East and Latin America, are becoming a more important part of our business, with revenues up almost 43% over the prior year.



41.3%
Financial Services

26.3%
Healthcare

20.4%
Manufacturing / Retail / Logistics

12.0%
Information, Media & Entertainment / Communications / High Technology

STRATEGIC ACQUISITIONS AND INVESTMENTS

To ensure our long-term ability to meet the evolving demands of clients, we continued to expand our resources through selective acquisitions that bring complementary skills, industry specialties or geographic reach. During 2012, we announced the intent to acquire six companies of the C1 Group, an independent consulting and IT services firm based in Hamburg, Germany, in a transaction that closed in the first quarter of 2013. The acquired C1 companies will augment our expertise in the manufacturing/logistics, energy/utilities and financial sectors, particularly in enterprise application services (specifically SAP) and high-end testing. We also will gain an expanded footprint in Europe, where the C1 companies have some 500 professionals across multiple locations in Germany and Switzerland.

To enhance our BPO offerings, we are partnering with ING U.S. to create a world-class, U.S.-based center of excellence for insurance and finance business process services. This entails bringing more than 1,000 ING U.S. employees into our global delivery network. Expanding our BPO capabilities in the healthcare sector, we acquired MediCall, a U.S.-headquartered medical management services provider with operations in the Philippines. Staffed by licensed nurses, physicians and pharmacists, MediCall is well regarded for providing customized medical management solutions to help healthcare payer organizations increase patient satisfaction, improve clinical outcomes and reduce cost of care.

Continuing our investments in global service delivery and cloud services, we announced plans to significantly expand our footprint in North America and Europe by opening new data centers in the U.S. (Arizona and Virginia), the Netherlands (Amsterdam) and the UK (Slough). These data centers will support an expanding enterprise-class, multi-tenant cloud platform, powered by our Cloud360® cloud management solution, reflecting our commitment to provide clients with a full range of cloud services. We also added new delivery centers in the U.S. (Iowa and North Dakota), Europe (France) and Asia-Pacific (Cebu and Manila, Philippines) and expanded our delivery centers in New Jersey and Singapore. Our reach extends across the globe with more than 50 delivery centers in 14 countries.

Expanding our footprint in North America and Europe by opening new data centers in the U.S. (Arizona and Virginia), the Netherlands (Amsterdam) and the UK (Slough).

SUSTAINABILITY: EDUCATION, ENVIRONMENT AND PEOPLE

We're equally committed to bringing more productive and inspired thinking to the needs of the communities around the world where we live and work. Specifically, we focus on three areas of sustainability where we feel that Cognizant and our associates can have the most impact: 1) education, 2) the environment and 3) employee development, health and safety.

We support a wide range of initiatives to improve access to educational opportunities – from science, technology, engineering and math (STEM) programs in the U.S. to schools catering to the rural and underprivileged sections of the population in India. Educational access is a fundamental pillar of sustainability, as it is essential to ensure not only a talented workforce, but the intellectual capacity to tackle the world's biggest challenges. Our aggressive efforts to preserve the environment have led to significant reductions in carbon emissions, energy consumption and waste across the company. Cognizant ranked 13th on *Newsweek's* U.S. Green Rankings for 2012. We are committed to cultivating the potential of our talented employees through extensive professional development programs and diversity initiatives, as well as a focus on providing safe and healthy workplaces. I encourage you to read our *Sustainability Report* for an in-depth discussion of our efforts in these and other areas.

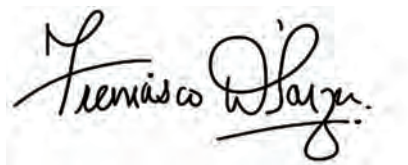


RECOGNIZING RESULTS

We are proud that Cognizant's commitment to excellence in both client service and financial performance has again been recognized by independent sources. The company is ranked among the "Fortune 500," as well as *Fortune's* lists of both the "World's Most Admired" and "Fastest Growing Companies." Cognizant also is ranked among *The Street's* 10 "Stocks of the Decade," as one of the S&P 500's 10 best-performing stocks over the last 10 years. Among the accolades we received in various industry sectors and service offerings, our leadership in life science drug safety services was noted in the "2013 IDC MarketScape report." The Everest Group included us in its list of leaders in capital markets BPO. For the second year running, Cognizant was named to the "InformationWeek 500" list of top technology innovators across America. We also received the top rating in a survey by KPMG for client satisfaction across Europe.

Looking toward the future, Cognizant will continue to invest in the solutions needed to help clients meet the dual challenge of improving their operations and transforming their businesses. At the same time, we will challenge ourselves to aim higher, go further and achieve more. Our entrepreneurial culture, global resources and commitment are focused on delivering success for our clients, opportunities for our associates, value for our stockholders and a sustainable future for our society and communities. Thank you.

Sincerely,



Francisco D'Souza
Chief Executive Officer

